

Amendment No. 1 to SB2326

McNally
Signature of Sponsor

FILED

Date _____

Time _____

Clerk _____

Comm. Amdt. _____

AMEND Senate Bill No. 2326

House Bill No. 2354*

by deleting all language following the enacting clause and by substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 67-4-1004(a), is amended by deleting the language “ten (10) mills” and by substituting instead the language “three cents (3¢)”.

SECTION 2. Tennessee Code Annotated, Section 67-4-1004, is amended by deleting subsection (c) and substituting instead the following:

(c) Any wholesale dealers, jobbers, tobacco distributors, and retail dealers having cigarette tax stamps, affixed and unaffixed, in their possession on July 1, 2007, shall not be required to pay the additional cigarette tax on such stamps resulting from the increase in the tax rate from ten (10) mills to three cents (3¢) on cigarettes bearing such stamps.

SECTION 3. Tennessee Code Annotated, Section 67-4-1025, is amended by adding the following language as a new subsection (d):

(d) Notwithstanding the provisions of subsections (a) and (b) of this section to the contrary, all cigarette tax revenue generated from the increase in the tax rate from ten (10) mills to three cents (3¢) on each cigarette shall be deposited in the education trust fund created by title 49, chapter 3; provided that, an amount of twenty-one million dollars (\$21,000,000) of such cigarette tax revenue shall be allocated to the department of agriculture’s Tennessee agriculture enhancement program.

SECTION 4. This act shall take effect on July 1, 2007, the public welfare requiring it.